have to join after the short span of my official career. Hence there can be no clash of ideals and interests here which mar the harmony of team work essential for every governance, and we look forward with interest to the constructive suggestions you have to make during the course of the discussions as the representatives of the people so that they may be borne in mind and translated into action whenever possible now and in future. Retrenchment has been the cry of the day and I wish to start it in respect of my speech.

2. With these few words, I enter into the subject at hand.

3. Before proceeding to the subject before us, I shall briefly survey the accounts of the year that is past (1111) and touch upon the anticipated results of the current year which are based on the experience so far we have had—since these furnish a fitting back ground on which our estimates for the coming year are in several cases forecasted.

ACCOUNTS OF 1111.

4. For 1111 we budgetted for a revenue of Rs. 98·54 lakhs and an expenditure of Rs. 97·84 lakhs leaving a small surplus of Rs. 0·70 of a lakh. The actual transactions of the year, however, resulted in a deficit of Rs. 0·96 lakh, the revenue and expenditure having been Rs. 99·48 lakhs and Rs. 100·44 lakhs respectively. As the reasons which led to this small variation have been explained in detail in the memorandum which is in the hands of all the members I do not propose to take much time of the House by traversing over the same ground again.

But it may naturally be asked why according to the revised estimate of 1111 we anticipated a deficit of Rs. 5·55 lakhs on the basis of an anticipated revenue of Rs. 98·60 lakhs and an expenditure of Rs. 104·15 lakhs when the actual deficit did not come up to even a lakh. This large difference might reflect bad forecasting if it were not properly accounted for. In the first place, the actual revenue receipts showed an increase of nearly Rs. 1 lakh mainly brought about by the unforseen increase under 'Income-tax'. Secondly, while the expenditure was fixed at Rs. 104·15 lakhs in the Revised Estimate, the actual expenditure came to Rs. 100·44 lakhs only. The main item which went to reduce the actuals was the 'Stoneware Factory' the asset value of which amounting to Rs. 2,15,551 was abated from charges and transferred to 'Capital' not charged to revenues as a result of the policy introduced two years ago of commercialising the accounts of industrial and other concerns of a pro-

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ductive nature or involving large outlay which cannot reasonably be charged to revenues but should be met from borrowed funds whereby the charges could be spread over a number of years and down to posterity. It is thus on account of this transfer that the expenditure under 'Stoneware Factory' of 'Scientific, etc., Departments' for 1111 is shown as minus 1·46 lakhs in place of Rs. 2·13 lakhs originally estimated that year under 'Scientific, etc., Departments'. Yet another item which went to reduce the actual expenditure of that year (1111) was 'Matches' which came only to Rs. 1·72 lakhs while it was fixed at Rs. 3.65 lakhs in the revised estimate. Being a new item of charge we had no basis to act upon and hence the large variation between the revised and actuals under the head. Such variations, in their very nature, will be found inevitable in all administrations and require to be condoned.

FINANCIAL POSITION AT THE END OF 1111.

5. The year opened with a cash balance of Rs. 22,08,134 and closed with a cash balance of Rs. 22,55,963. The closing balance consisted of the actual cash balance of Rs. 10,24,730 in the Treasuries and the balance in Banks. The total of the investments including the capital outlay at the beginning of 1111 was Rs. 1,70,02,457 and there was an addition of Rs. 4,89,124 in the year. The total at the close of the year was thus Rs. 1,74,91,581 distributed as follows:—

Capital outlay.

			Rs.
1.	Railway		71,00,385
2	Harbour		
	a. Reclamation	Rs. 37,50,000	
	b. Vypeen Foreshore works	,, 15,979	
	c. 1st Stage Works	,, 76,665	
	d. 2nd Stage Works	,, 3,00,000	
	e. 3rd Stage Works	...	
			41,42,644
3.	Stoneware Factory		2,15,551
	Total		1,14,58,580

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